



May 22, 2007

Sent via Facsimile

Chad Benson
Michigan State Housing Development Authority
P.O. Box 30044
Lansing, MI 48909

RE: LIHTC QAP Public Comment

Dear Mr. Benson:

I want to thank you for coming to Detroit on May 18, 2007 to solicit public feedback on changes to the Low-Income Housing Tax Credit Program's Qualified Allocation Plan. As you may recall, I spoke at the event in Detroit. I am now providing my comments in writing to you.

The Coalition on Temporary Shelter, COTS, is a nonprofit organization that provides emergency, transitional and permanent supportive housing. COTS provides an array of services to help families and individual secure permanent housing and sustain independence.

COTS is also a developer of affordable housing. We have developed housing under the Low-Income Housing Tax Credit Program. COTS would like to bring to your attention the following concerns below:

1. It is very expensive to complete the LIHTC application. This expense is particularly difficult for the nonprofit developer. The current lottery process for awarding tax credits is not fair for those applications that maximize points. Perhaps MSHDA could utilize both a point system and a lottery system for applications below a specified threshold.
2. COTS has particular interest in providing permanent housing for the difficult to house populations, such as those with histories of homelessness, mental illness and victims of domestic violence, to name a few. COTS supports MSHDA setting aside thirty percent of the annual tax credit allocation to develop housing for special needs populations. In addition, COTS would like to see 10% of all tax

credit developments target families with incomes at or below 30% of the area median income.

3. COTS would like to have access to the verbal and written feedback provided at the public feedback locations.

I thank you for offering us a chance to share our thoughts and listening to our concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Curtis D. Smith". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Curtis D. Smith
Housing Development Director
313-576-0212

CC: C. Johnson